

## Message Text

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17

ACTION L-02

INFO OCT-01 NEA-09 ISO-00 EB-07 OPIC-06 AID-05 RSC-01 /031 W

----- 006413

R 230735Z JAN 75

FM AMEMBASSY DACCA

TO SECSTATE WASHDC 5550

UNCLAS DACCA 0432

E.O. 11652: N/A

TAGS : EINV, EAID, BG

SUBJECT : OPIC AGREEMENT

REF: A. STATE 013764 B. STATE 007825

1. DEPARTMENTS ASSUMPTION CORRECT (REF A). PROBLEMS WITH  
ARBITRATION PROVISION FOR BELBEGCO RESOLVED (REF B) PRIOR TO  
EXCHANGE OF NOTES AND SIDE LETTERS.

2. FULL TEXT OF BELBARCO SIDE LETTER FOLLOWS:

"I REFER TO OUR PAST DISCUSSIONS REGARDING THE OUTSTANDING CLAIM  
OF BELBARCO INCORPORATED (BANGLADESH FABRICS LTD.) FOR COMPE-  
NSATION FOR ITS NATIONALIZED ASSETS.

IN THE EVENT THAT THE OVERSEAS PRIVATE INVESTMENT CORPORATION  
(OPIC) SETTLES THE CLAIM OF BELBAGCO INC., THE GOVERNMENT OF  
BANGLADESH RECOGNIZES OPIC'S RIGHT OF SUBROGATION.

AMOUNTS IN THE LAWFUL CURRENCY OF THE GOVERNMENT OF BANGLADESH  
ACQUIRED BY OPIC FROM THE GOVERNMENT OF BANGLADESH FOR COMPENSATION  
OF THE NATIONALIZED ASSETS OF BELBAGCO SHALL BE FREELY AVAILABLE  
TO THE UNITED STATES GOVERNMENT FOR ITS USE IN THE TERRITORY OF  
THE GOVERNMENT OF BANGLADESH.

DIFFERENCES BETWEEN THE TWO GOVERNMENTS CONCERNING THE COMPENSATION  
FOR THE NATIONALIZED ASSETS OF BELBAGCO SHALL BE RESOLVED, IN-  
SO FAR AS POSSIBLE, THROUGH NEGOTIATIONS BETWEEN THE TWO GOVERN-  
MENTS. IF SUCH A DIFFERENCE CANNOT BE RESOLVED WITHIN A PERIOD  
OF TWELVE MONTHS FOLLOWING THE REQUEST FOR SUCH NEGOTIATIONS, IT  
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SHALL BE SUBMITTED TO A MUTUALLY AGREED UPON ARBITRATOR WHOSE

DECISION SHALL BE FINAL. IF THE TWO GOVERNMENTS ARE UNABLE TO  
SELECT A MUTUALLY ACCEPTABLE ARBITRATOR WITHIN THREE MONTHS AFTER  
INDICATION BY EITHER GOVERNMENT OF ITS DESIRE FOR ARBITRATION  
FOLLOWING EXPIRATION OF THE ABOVE NEGOTIATING PERIOD, EITHER  
GOVERNMENT MAY REQUEST THE PRESIDENT OF THE INTERNATIONAL COURT OF  
JUSTICE TO DESIGNATE AN ARBITRATOR WHOSE DECISION SHALL BE FINAL.

I WOULD APPRECIATE YOUR CONFIRMATION THAT THIS IS ALSO THE UNDER-  
STANDING OF THE GOVERNMENT OF BANGLADESH.  
CHESLAW

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, TRADE PROMOTION, FOREIGN INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** : OPIC AGREEMENT  
**TAGS:** EINV, EAID, BG, OPIC  
**To:** STATE  
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